

Direct Mail : 10 Ways To Cut Costs and Increase Revenue



Creating a marketing budget usually requires compromises on which areas to focus. No company can afford unlimited marketing spending, making it difficult to determine a primary focus. Social media and the Internet offer new marketing avenues, but traditional methods still reign supreme for most businesses.

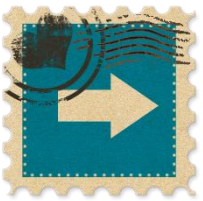


In a time when businesses consistently cut their direct mail company budgets, studies show they may be making a big mistake. Marketing professionals perceive direct mail campaigns as dated and less successful than in the past. This perception leads companies to invest in areas with lower returns. Direct Mail still offers top return on investment (ROI) when utilized properly. In this guide you will find facts about mailing and its continued success as a top marketing method.

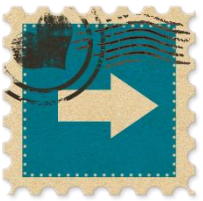




1. Consumers overwhelmingly value mail delivered to their homes. Almost two thirds of surveyed consumers expressed that items delivered to their mail boxes were valued. Companies are a little out of touch, with only about one third of survey participants realizing the consumer perception.



2. Mail appeals to all audiences. Many marketers perceive the younger generation as the digital generation. There is some truth to that thought, as younger people stay more connected with social media, email and other digital communications. What marketers fail to realize is that even the younger generation responds positively to mailings. In a recent survey conducted by ExactTarget, 76 percent of younger people stated that they have made purchases based on something they received in the mail.

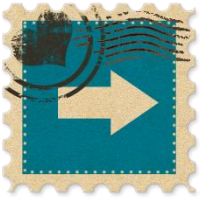


3. Millennials much prefer to receive information in a printed format. In fact, 65 percent of this generation has a stated preference for traditional print media. Most people from that generation do not enjoy reading on computer screens. This demographic responds much better to mailings versus digital mediums.





4. When USPS launched its new "if it fits it ships," campaign, marketing crossed all channels. Television advertisements, online banners, social media and mass emails all went out, along with simple bulk mailings. The interesting thing about this campaign was the tracked responses. The single largest response group, 35 percent, was from the direct mail campaign.



5. Consumers check their mail virtually every day. Almost everyone, 98 percent, brings their mail in every day, and 77 percent of consumers sort through their mail immediately. Compared to email recipients, where many items go straight to spam, direct mail gets more views from the targeted recipients



Direct mail continues to reach and appeal to a broad range of consumers. The only industry consistently showing better results using digital marketing is the technology industry. Business to business services, retail stores and other general consumer goods show phenomenal response rates through direct mail marketing. A direct mail company offers the ability to reach thousands of households at very reasonable prices. It even compares favorably with television advertising once cost figures into the equation. As the recent USPS campaign illustrates, direct mail still holds the top spot for ROI.



Cost is one of the single most important factors when planning for a direct mail services campaign. You probably have a specific budget number in mind and need to ensure a reasonable return on investment. Spending thousands of dollars on a marketing campaign that only generates a few customers does not give you a lot of room to maneuver. Cutting back on the number of mailings you send also cuts back on the number of responses you receive, making it a problematic choice. Instead, implement a these 5 simple strategies and cut costs, without cutting your customer conversions.



- **Audit your mailing list.** One of the largest wastes involved in direct mail services comes into play when you send out mailings to old or incomplete mailing lists. Even when you send out mailings in bulk, re-sending or forwarding mail to current addresses comes with a regular first class price tag. Make sure to clean and update your mailing list frequently to remove outdated addresses.
- **Invite multiple vendors to bid.** Different service providers focus on different types of mailings. Talk to several different service providers to ensure that you get the absolute lowest price. Building a relationship with a specific vendor helps ensure quality, but having lower bids in hand can help when negotiating a price.
- **Choose cost effective materials.** What you print is almost as important as what you print on when determining cost. Heavier paper or cardboard is much more expensive than a regular letter. Discuss the options with your vendor before making a final decision.



•**Consider switching to digital printing.** Digital printing does not have the crisp, clear imagery offered by traditional printing presses, but it does offer significant cost savings. Color printing improves conversion rates, but it can also cost more than twice as much as black and white. Digital printing helps close the gap between color and black and white printing to make it more affordable. If color printing is still out of your budget, discuss color paper options. Sometimes a brightly colored envelope or background can have the same effect as a glossy printed flyer.

•**Automate where possible.** Bulk mailing offers large discounts on postage, helping to make direct mail services cost effective. When you presort mail down to the 5 digit zip code level, you get the maximum discount. Presorting mail in house may not be optimal unless you send out many large mailings every year, but your mail house should offer these services. The easier it is for the post office to direct your materials, the less they charge you for postage.



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